# ALASKA STATE LEGISLATURE SENATE LABOR AND COMMERCE STANDING COMMITTEE

May 5, 2021 1:30 p.m.

## MEMBERS PRESENT

Senator Mia Costello, Chair

Senator Joshua Revak, Vice Chair

Senator Gary Stevens

Senator Elvi Gray-Jackson

## MEMBERS ABSENT

Senator Peter Micciche

## COMMITTEE CALENDAR

SENATE JOINT RESOLUTION NO. 15

Recognizing and honoring the relationship between Canada and the state; and recognizing the importance of the United States-Mexico-Canada Agreement.

- MOVED SJR 15 OUT OF COMMITTEE

## PREVIOUS COMMITTEE ACTION

BILL: SJR 15

SHORT TITLE: RECOGNIZING ALASKA/CANADA RELATIONSHIP

SPONSOR(s): SENATOR(s) BEGICH

04/28/	21	(S)	READ	THE	FIRST	TIME	-	REFERRALS
04/28/	21	(S)	L&C					

05/05/21 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

## WITNESS REGISTER

SENATOR TOM BEGICH Alaska State Legislature Juneau, Alaska

POSITION STATEMENT: Sponsor of SJR 15.

BRANDON LEE, Consul General of Canada to the Pacific Northwest and Alaska Seattle, Washington POSITION STATEMENT: Testified on SJR 15 by invitation.

KAREN MATTHIAS, Honorary Consul of Canada in Alaska Anchorage, Alaska

POSITION STATEMENT: Testified on SJR 15 by invitation.

#### ACTION NARRATIVE

## 1:30:02 PM

CHAIR MIA COSTELLO called the Senate Labor and Commerce Standing Committee meeting to order at 1:30 p.m. Present at the call to order were Senators Gray-Jackson, Revak, and Chair Costello. Senator Stevens arrived soon thereafter.

## SJR 15-RECOGNIZING ALASKA/CANADA RELATIONSHIP

## 1:30:46 PM

CHAIR COSTELLO announced the consideration of SENATE JOINT RESOLUTION NO. 15 Recognizing and honoring the relationship between Canada and the state; and recognizing the importance of the United States-Mexico-Canada Agreement.

#### 1:31:27 PM

SENATOR TOM BEGICH, Alaska State Legislature, Juneau, Alaska, sponsor of SJR 15, stated that SJR 15 is an opportunity for everyone to work together on the close and symbiotic relationship between Alaska and Canada. He said this is particularly important to him this year as he is the co-chair of the Council on State Governments' Canada Relations Committee. He continued the introduction of SJR 15 paraphrasing the following sponsor statement.

Senate Joint Resolution 15 honors the relationship shared between Canada and Alaska. Canada and the United States share the world's longest border, 5,522 miles—1,538 of which is shared with just Alaska, Yukon Territory, and the Province of British Columbia.

Canada and Alaska are both rich in our natural beauty, abundant renewable resources, indigenous peoples and cultures, history, and government ties. We share a border, airspace, and environment. Together we defend North America against external threats.

Our people share families, friends, jobs, and one of the most successful international relationships in the modern world. We move goods and transport people between our borders regularly. Our cruise and tourism industries are dependent on each other's. The North West Passage is our shared gateway to the Arctic.

Together we have built longstanding collaborations on economic opportunities, health, education, energy security, environmental protections, infrastructure, and public safety issues. We have worked to advance and sustain the health and resiliency of the Arctic and northern peoples and communities by strengthening economic, cultural, and family connections across the region.

Trade between our countries totals over \$1.3 billion across multiple industries and contributes to nearly 11,000 jobs between us allowing for more than 50 Canadian-owned companies to operate in Alaska.

Our interdependent communities are uniquely intertwined, as is Joint Base Elmendorf-Richardson (JBER) with its American Commander and Canadian Deputy Commander.

Together, Canada and Alaska create better lives for our respective residents and citizens. This should be formally recognized. I look forward to continued cooperation friendship, trade, tourism, culture exchange, and good will between us.

SENATOR BEGICH related that every year except this year there has been a reception in Juneau hosted by the Canadian Consulate from Seattle. He and Brandon Lee discussed last year putting the nature of this relationship in writing. SJR 15 emerged from that discussion. He noted the supporting documents in the packet and thanked the committee for its consideration.

## 1:36:19 PM

CHAIR COSTELLO thanked the sponsor for providing the handout in the bill packet titled, "Alaska's at Large Congressional District and Canada" that lists top Canadian-owned businesses and exports and other information. She welcomed Mr. Lee to provide his testimony.

## 1:37:05 PM

BRANDON LEE, Consul General of Canada to the Pacific Northwest and Alaska, Seattle, Washington, thanked the sponsor for introducing the resolution and the committee for providing the opportunity to speak in support of SJR 15. It recognizes the important relationship between Canada and Alaska. He listed things Canada and Alaska have in common including responsible energy producers, wide open spaces, cultural ties, and like Alaskans, Canadians sometimes feel that "the Lower 48 just doesn't get us."

MR. LEE recognized Canada's honorary Consul to Alaska, Karen Matthias, as a key link in maintaining the strong link between Canada and Alaska. He agreed that Canada and Alaska are bound by history, values, economy, and environment. He said no two nations depend more on one another for their mutual prosperity and security. Economically, Canada is by far America's largest customer. They buy more from the U.S. than China, Japan, and the United Kingdom combined. This economic relationship supports millions of well-paying jobs in all congressional districts throughout the U.S. He highlighted that in pre-COVID-19 times, \$2 billion in goods and services crossed the Canada/U.S. boarder every day. Even during the pandemic in 2020, Canada and Alaska traded almost \$1.4 billion in goods and services, supported many jobs on both sides of the border and the 50 Canadian business that operate in the state continued to do so. These companies include Teck Resources, Alaska Commercial Company, and Icicle Seafoods. Together, the 50 companies contribute \$265 million in salaries for nearly 4,500 Alaskan jobs and they are major contributors to the Alaskan economy. In addition, he said there are hundreds of millions of dollars in two-way trade in seafood, metals, minerals, and energy.

#### 1:39:36 PM

SENATOR STEVENS joined the committee.

MR. LEE said as Canada builds back after the pandemic, it can look to U.S. Mexico Canada (USMCA) free trade zone to help. It is the largest economic region in the world that has a \$22 trillion regional market of over 450 million consumers. He said this landmark agreement reaffirms that working together North America will remain the most competitive region in the world. He agreed with the sponsor that Canada and the U.S. are also dedicated allies that collaborate on homeland protections and global peace and security.

MR. LEE identified the U.S. as Canada's premier partner in the Arctic. Cooperation is longstanding on a wide range of issues

including Arctic science, search and rescue, Continental Shelf delineation, security, and the people-to-people connections. He said he would be remiss if he neglected to mention the cooperation between Canada and Alaska during and managing the pandemic to ensure the safety and security of all citizens while maintaining the flow of essential goods and services and workers. He cited examples. He thanked the committee for its time and consideration of SJR 15.

## 1:42:47 PM

CHAIR COSTELLO thanked him for the eloquent remarks.

SENATOR STEVENS apologized for arriving late and asked if anybody mentioned that Alaska and Canada share a remarkably long common border.

MR. LEE said it is something to celebrate.

CHAIR COSTELLO asked the sponsor if this was the first resolution relating to the relationship between Alaska and Canada.

## 1:43:53 PM

SENATOR BEGICH replied he can only say that this is the first formal recognition of the friendship between Alaska and Canada since 1983.

CHAIR COSTELLO thanked Mr. Lee and asked Ms. Matthias to offer her testimony.

## 1:44:59 PM

KAREN MATTHIAS, Honorary Consul of Canada in Alaska, Anchorage, Alaska, informed the committee that she was born and raised in British Columbia. She said she was a Canadian foreign services officer for some time after which she had the opportunity to open the first consulate in Alaska in 2004. She said the sponsor asked her to speak about the people-to-people connections, which has always been a favorite part of the job. She said Alaskans often relay that they feel they have more in common with Canadians than their fellow citizens in the Lower 48 and it warms her heart. Alaskans have connections with Canadians through family, work, and travel and Alaska Natives from Metlakatla to Kaktovik share family and traditional lands with Canadian First Nations since long before there was a border.

MS. MATTHIAS shared that she met a group of students from Nunavik who were visiting Utqiagvik during a whale harvest and

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they were amazed that while their languages were different, the words related to the whale hunt and their traditions were very similar. She said that is despite the fact that thousands of miles separate Nunavik in far eastern Canada and the North Slope. She said given the shared climate and geography, Alaskans and Canadians can learn a lot from each other. She related that one of the first Canadian visits she worked on was when the Premier of the Northwest Territories came to Alaska with a delegation of First Nations business leaders. They came because they were interested in the Alaska Native Claims Settlement Act (ANCSA) and learning more about Alaska Native corporations and their structure.

#### 1:47:26 PM

MS. MATTHIAS related that just before the pandemic, the Canadian Minister of Health visited Alaska to learn about the Southcentral Foundation's Nuka System of Care to see if it could be modeled in Canada. She said she has also been privileged to attend and get involved in a number of cross-border events like the Yukon Quest and the Klondike Road Relay from Skagway to Whitehorse. She described the latter in particular as a good example of Alaska/Canada/US cooperation. She also mentioned shared Olympic athletes. She said that she has also had the opportunity to visit the shared border post building on the Top of the World Highway between Dawson and Chicken.

MS. MATTHIAS shared that she came to Alaska for a four-year assignment 16 years ago. She learned she is not the first Canadian to marry an Alaskan and decide to make it home. She noted that she lives in district K so Senator Costello is her Senator. She said she and her husband named their son Elias in part because it is on the border between Canada and Alaska. She thanked Senator Begich for introducing SJR 15 and the committee for its consideration of the resolution.

SENATOR BEGICH said he has great regret that Ms. Matthias is not his constituent. He read a note handed to him by staff that read:

UAF students say their hockey team is so good because it is mostly Canadian.

He commented that that is apparently a UAF joke.

CHAIR COSTELLO expressed support for the formal recognition of the relationship between Canada and Alaska. She thanked Ms.

Matthias and commented that it is not often that senators fight over a constituent.

## 1:51:03 PM

SENATOR REVAK commented that the resolution mentions the partnership with the Canadian military in the Alaska Command and NORAD region, but he has witnessed it firsthand over the past many years. It has been a valuable relationship for both Canada and the U.S. He thanked the sponsor for the very appropriate resolution.

SENATOR STEVENS said the commonalities are often mentioned but there are important differences that need to be acknowledged. One difference he finds fascinating is the difference between governments. He shared that he spent time with the Victoria Legislature, which is more closely aligned to the British legislature than American legislatures. He said the Pacific NorthWest Economic Region (PNWER) conference provides an opportunity to look at the differences and understand that they both work well.

CHAIR COSTELLO noted that she too is a member of PNWER and is a co-chair of the Innovation Caucus.

#### 1:53:03 PM

CHAIR COSTELLO opened public testimony on SJR 15; finding none, she closed public testimony.

## 1:53:18 PM

SENATOR REVAK moved to report SJR 15, work order 32-LS0855\A, from committee with individual recommendations and attached fiscal note(s).

CHAIR COSTELLO found no objection and SJR 15 was reported from the Senate Labor and Commerce Committee.

## 1:53:43 PM

SENATOR BEGICH thanked the chair for hearing the resolution and expressed hope that this critical relationship will finally be formally acknowledged. In response to Senator Steven's comment, he said that as the co-chair for the Canadian Relations Committee for the Council of State Governments it is his intent to promote the differences in the government structures, energy resource development, and to explore issues such as the railway link between Edmonton and Fairbanks. He said this is a good start.

## 1:54:51 PM

There being no further business to come before the committee, Chair Costello adjourned the Senate Labor and Commerce Standing Committee meeting at 1:54 p.m.